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## Ways & Means Committee

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### HB 2356

**Brief Description:** Revising student achievement fund allocations.

**Sponsors:** Representative Haigh.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Requires that disbursements from the Student Achievement Fund be subject to the per student rates established in the omnibus appropriation act.</li></ul>
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**Hearing Date:** 4/16/09

**Staff:** Ben Rarick (786-7349)

**Background:**

Initiative 728 (I-728), approved by the voters in November 2000, dedicated certain state revenues to support various school reform activities in public schools.

The allowable uses for I-728 funding include:

- reductions in K–4 class size;
- selected class size reduction in Grades 5–12;
- extended learning opportunities for students;
- investments in educators and their professional development;
- early assistance for children who need pre-kindergarten support; and
- providing improvement or additions to facilities to support class size reductions and extended learning opportunities.

The funding sources for the Student Achievement Fund have been modified several times by the Legislature. Beginning in 2001, portions of state property tax and state lottery revenues were dedicated to the Student Achievement Fund. Beginning in 2004, I-728 directed that the state property tax contribution to the Student Achievement Fund was to increase to \$450 per student FTE and that lottery revenues would be deposited to the School Construction Fund. The 2003

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Legislature revised the property tax per student contributed to the Student Achievement Fund to \$254 for 2004, \$300 for 2005, \$375 for 2006, \$450 for 2007, and an amount adjusted annually for inflation thereafter. Current law requires that \$278 of the per pupil allocations be supported with state property tax revenues, with the remainder supported by the Education Legacy Trust Account, which is supported by cigarette taxes and the estate tax.

Each year, school districts must submit a plan to the Office of the Superintendent of Public Instruction (OSPI) outlining plans for the expenditure of I-728 revenues. Additionally, before May 1, school boards must hold a public hearing on the proposed use of the new money. During the 2007-08 school year, about 52 percent of the funding was used for class size reduction, about 20 percent was used for professional development, about 10 percent was used for extended learning programs, and the remainder was used for a variety of initiatives such as early childhood programs and facilities improvements.

Allocations to school districts from the Student Achievement Fund are estimated at \$868 million for the 2009-11 biennium, and are allocated at a rate of approximately \$458 per student FTE for the 2008-09 school year.

**Summary of Bill:**

Per-student allocation rates for the Student Achievement Fund are specified in the omnibus appropriations act, rather than specifically identified in statute, beginning in the 2009-10 school year.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect on July 1, 2009.